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GOVERNOR



SCOTT A. ANGELLE
SECRETARY

State of Louisiana
DEPARTMENT OF NATURAL RESOURCES
OFFICE OF MINERAL RESOURCES
STATE MINERAL AND ENERGY BOARD

TO: State Mineral Board Members

FROM: Rachel Newman, CPA *RN*
Audit Director
Mineral Income Division

DATE: January 11, 2012

Audit Committee Meeting Agenda

A meeting of the Audit Committee of the State Mineral and Energy Board will be held on Wednesday, January 11, 2012, following the Nomination and Tract Committee Meeting, in the LaBelle Room, First Floor, LaSalle Building, located at 617 North Third Street, Baton Rouge, Louisiana.

Items on the agenda are as follows:

1. A penalty waiver request from Devon Energy Corp. for a penalty in the amount of \$16,207.77 which was billed for late payment of royalty. Devon Energy Corp. paid the state a total of \$64,744.51 in late royalty for the disposition dates of August 2009 through June 2010. The payment was received on August 25, 2011. This payment was not related to a field audit. Devon Energy Corp. was billed and paid \$3,879.15 in interest charges on December 15, 2011.
2. Staff report to the committee that the election for January 2012 gas royalty is to be paid on a processed basis at the Discovery Plant at Larose and the Sea Robin Plant at Henry per the terms of the State Texaco Global Settlement Agreement.

The Committee may discuss matters it desires pursuant to R.S. 42:7(A)(1)(b)(ii) as well as Executive Session matters pursuant to R.S. 42:6.1(A)(2) and R.S. 42:6.1(A)(6).